

Gov't targets furniture exports to top RM12b by 2020

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Malaysian wooden furniture maker, Shantawood, crafts dining sets from rubberwood for the export market. File Pix by Mohd Yusni Ariffin

By OOI TEE CHING (/authors/ooi-tee-ching) - July 2, 2017 @ 6:38pm

KUALA LUMPUR: The government hopes Malaysian furniture manufacturers would be able to top RM12 billion by 2020, now that a total ban of rubberwood exports is in place.

“We hope to see Malaysia’s furniture exports improve further, following this ban on rubberwood exports effective July 1, 2017,” said Plantation Industries and Commodities Minister Datuk Seri Mah Siew Keong.

“By 2020, we target Malaysia’s furniture exports to reach RM12 billion,” he said after gracing the Muar

Furniture Association 35th anniversary dinner in Muar today.

Last year, Malaysia's furniture exports totalled to RM9.53 billion, 4.2 per cent more than 2015's RM9.14 billion, making the country, the world's eighth largest furniture exporter.

"So far, in the first quarter of this year, Malaysia's furniture exports amounted to RM2 billion, 6.3 per cent more than last year's first quarter," he said.

The ban on rubberwood exports is not new as the government, in the past two decades, has periodically imposed and lifted bans on rubberwood exports, to balance the competing needs of sawmillers and furniture makers.

Sawmillers put forward their case that timber fetches higher prices in the export market while wooden furniture manufacturers need big volumes of timber at competitive rates to meet clients' orders.

Last year, Malaysia's sawmillers exported some RM300 million rubberwood timber to Vietnam and China.

When Mah was appointed to handle the Plantation Industries and Commodities portfolio, a year ago, he vowed to accelerate the government's policy in encouraging more downstreaming activities so as to add value to Malaysia's RM1.11 trillion economy.

He explained rubber trees in Malaysia are mostly planted by smallholders. A rubber tree's would be tapped for its latex for about 25 years, after which its productivity drops drastically, prompting farmers to replant with higher yielding clones.

Sawmillers would process felled rubber trees into timber and then either have them shipped out or sold to local furniture manufacturers.

With the ban on rubberwood exports, effective July 1, 2017, the minister expects these raw materials to be more competitively available for wooden furniture manufacturers here.

By addressing this shortage, furniture manufacturers here would be able to fulfil their client's orders, and at the same time, add value to Malaysia's exports.

Going forward, the minister said he will meet up with rubber smallholders and sawmillers to discuss long-term solutions to improve on their income streams.

Rubberwood, shortage, sawmillers, furniture, Mah Siew Keong, Plantation Industries and Commodities Minister, furniture export, rubberwood export

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